

**Before the State of South Carolina
Department of Insurance**

In the matter of:

Gregory D. Downs
230 South Park Drive
Spartanburg, South Carolina 29302.

File Number: 124069

**Default Order Revoking
All Licensing Privileges**

This matter comes before me pursuant to a Letter of Allegation and Notice of Opportunity for Public Hearing served, as required within S.C. Code Ann. § 38-3-170 (Supp. 2004), by the State of South Carolina Department of Insurance upon Gregory D. Downs, a licensed South Carolina resident insurance agent, by both certified mail, return receipt requested, and by regular mail on March 7, 2005.

That letter informed Mr. Downs of his right to request a public hearing upon the allegations of impropriety contained within the letter against him. The letter further warned that his failure to make a timely, written request would result in my summary revocation of his license to do business as a resident insurance agent within the State of South Carolina. Despite that warning, he has failed to respond to the Department's letter, and to provide his new address. On April 22, 2005, therefore, counsel for the Department filed an Affidavit of Default, and submitted the entire matter directly to me for my summary decision based solely on the record.

The letter alleged, and I now find as fact, that while licensed to do business as a resident insurance agent within the State of South Carolina, Gregory Downs incurred into "Unfair Trade Practices", against consumer Debra E. Traub. These acts, as alleged, are a direct violation of S.C. Code Ann. § 38-43-130 (Supp. 2004). That Code section provides that "the Director or his designee may revoke or suspend an agent's license after ten day's notice...when it appears that an agent...has willfully deceived or dealt unjustly with the citizens of this State." This Code section goes on in Subsection (C)(8) to describe "deceived or dealt unjustly with the citizens of this state" specifically to include, "using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or elsewhere."

In accordance with my findings of fact, and considering Mr. Stephens' complete refusal to avail himself of his opportunity to be heard, I now conclude, as a matter of law, that he willfully deceived and dealt unjustly with the citizens of South Carolina, thereby violating S.C. Code Ann. § 38-43-130(C)(8) (Supp. 2004), and that all of his licensing privileges should be revoked.

This administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2004). Nothing contained within this administrative disciplinary order should be construed to limit or to deprive any person of any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty of the Director of Insurance, exercised either directly or through the Department of Insurance, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the law relative to the business of insurance or the provisions of this title which he considers necessary to report." S.C. Code Ann. § 38-3-110 (4) (Supp. 2004).

It is therefore ordered that Gregory Downs' license to transact business as a resident insurance agent within the State of South Carolina be, and is hereby, revoked, and that no license, issued through the State of South Carolina Department of Insurance is to be issued to him.

It is further ordered that a copy of this Order be transmitted to the National Association of Insurance Commissioners for distribution to its current member states and to each insurer for which Mr. Downs is currently licensed, through the State of South Carolina Department of Insurance, as a resident insurance agent within the State of South Carolina.

This order becomes effective as of the date of my signature below.

A handwritten signature in black ink, reading "Eleanor Kitzman". The signature is written in a cursive, flowing style.

Eleanor Kitzman
Director

April , 2005, at
Columbia, South Carolina

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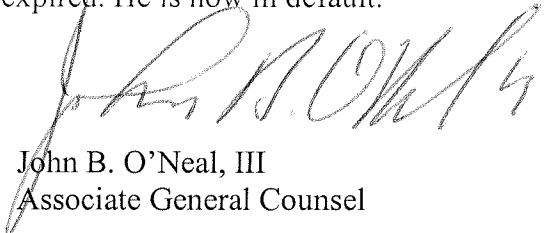
SCDOI File Number 124069

Affidavit of Default

Personally appeared before me John B. O'Neal, III who, being duly sworn, stated that at all times relevant to this Affidavit of Default he was an attorney representing the State of South Carolina Department of Insurance in this administrative action. He further stated the following:

The Department served notice on the above-named respondent, at the address detailed above by a Letter of Allegation and Notice of Opportunity for a Public Hearing that the Department would request the Director of Insurance to summarily revoke his license to act as a resident insurance producer within the State of South Carolina in thirty days. The Department served the Notice, pursuant to S.C. Code Ann. § 38-3-170 (Supp. 2004), by "depositing it in the United States mail, postage prepaid, addressed to the last known address of the person and registered with the return receipt requested." That Notice further informed respondent of his opportunity, within thirty days, to request in writing a public hearing, by notifying the Administrative Law Court and payment of the corresponding filing fee.

The United States Postal Service attempted delivery of the Notice by certified mail, return receipt requested, and by regular mail, on several occasions, starting on March 7, of the current year, to no avail. Our Departments' letters were returned to us with a "Return to Sender/ Forwarding Order Expired" stamp on them. Gregory Downs has not made a written request for a Public Hearing, and the time in which to do so has expired. He is now in default.


John B. O'Neal, III
Associate General Counsel

Sworn to and subscribed before me
This day of April, 2005.



Steven R. DuBois
Notary Public for the State of South Carolina
My Commission Expires May 10, 2009

South Carolina Department of Insurance
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